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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REPORT ON THE PROGRESS OF THE
SECURITIES ADR PROCEDURES IN
RESOLVING SECURITIES CLAIMS**

Date: August 23, 2023
Time: 10:00 a.m. (Pacific Time)
Place: (Tele/Videoconference Appearances
Only)
United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 This Report on the Progress of Resolving Securities Claims is being submitted by the
2 Reorganized Debtors in response to the Court's Supplemental Briefing Order [Dkt. No. 13952]¹
3 requesting that the Reorganized Debtors provide a status report setting forth the key statistics regarding
4 the progress made in resolving Securities Claims, including the status of settlements and mediations.

5 The Securities ADR Procedures are working. The Reorganized Debtors have now successfully
6 resolved 5,639—or nearly 64%—of the 8,858 Securities Claims filed in the Chapter 11 proceedings. In
7 the last three months alone, the Reorganized Debtors have made significant progress in resolving the
8 Securities Claims. Since the Reorganized Debtors moved for a further extension of the claim objection
9 deadline in May 2023 [Dkt. No. 13745], the Reorganized Debtors have settled an additional 981
10 Securities Claims. This is an average of about 330 per month or more than 10 settlements *per day*.
11 Indeed, even in the six weeks since PERA filed the Third 7023 Motion, the Reorganized Debtors have
12 resolved an additional 571 claims. In the week between August 9, 2023 and August 16, 2023 alone, the
13 Reorganized Debtors resolved 244 Securities Claims through settlement.

14 The Reorganized Debtors have also taken significant steps aimed at resolving the 3,219 Securities
15 Claims that remain unresolved. Of these 3,219 claims, 2,249—or approximately 70%—have
16 outstanding settlement offers—many of which have just been sent in the last few weeks. In addition,
17 out of the 3,219 unresolved claims, 348 are subject to an omnibus objection. Accordingly, we expect
18 these recently sent settlement offers to continue to generate settlements of Securities Claims. Moreover,
19 there are approximately 1,060 settlement offers, covering 1,895 claims, where the claimant has not
20 opened their offer on the settlement portal or otherwise responded. As the Court is aware, more than
21 80% of the non-RKS offers have been accepted if the claimants opened their offer on the settlement
22 portal or otherwise responded. The Reorganized Debtors are continuing follow-up efforts to get
23 Securities Claimants to review their settlement offers, including, where appropriate, follow-up hard copy
24

25 ¹ Capitalized terms used herein have the meanings ascribed to such terms in the *Reorganized Debtors'*
26 *Submission in Connection with the Securities Plaintiffs' Motion for the Application of Bankruptcy Rule*
27 *7023 and the Certification of a Class of Securities Claimants* filed concurrently herewith.

1 mailings and phone calls. These follow-up efforts have been successful and will continue.

2 Looking at outstanding claims without context can be misleading as many claimants or groups
3 of affiliated claimants have filed multiple claims. There are now only 1,074 Securities Claimants or
4 groups of claimants with outstanding offers. A chart setting forth the status of the resolution of Securities
5 Claims is attached hereto as **Exhibit A**.

6 The Reorganized Debtors have also acted expeditiously in noticing mediations since the Court
7 approved a panel of mediators for each of the Abbreviated and Standard Mediations. The Reorganized
8 Debtors have already noticed 15 mediations involving 302 Securities Claims for mediation. The
9 mediation process needs to be put into context. The Reorganized Debtors have not notice mediations
10 until and unless the offer process has reached an impasse—put differently, it is cheaper and more
11 efficient to attempt to resolve claims through the offer process rather than the mediation process. But
12 given the success of the offer process (other than with respect to the RKS Claimants) there are
13 surprisingly few candidates for mediations at this point. As the Reorganized Debtors receive additional
14 rejections of settlement offers, they will continue to promptly notice additional mediations. A chart
15 showing the status of mediations is attached hereto as **Exhibit B**.

16 This report clearly shows that the Securities ADR Procedures are working and given the
17 opportunity without a Rule 7023 class motion outstanding, the Securities ADR Procedures will continue
18 to work. Indeed, the progress under the Securities ADR Procedures provides the most efficient path
19 towards resolution of the unresolved Securities Claims.

20 Dated: August 18, 2023

21 **WEIL, GOTSHAL & MANGES LLP**

22 **KELLER BENVENUTTI KIM LLP**

23
24 By: /s/ Richard Slack
Richard W. Slack

25 *Attorneys for Debtors*
26 *and Reorganized Debtors*